

LOTTERY AUTHORITY, IOWA[531]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 99G.9, 17A.3 and 17A.4, the Iowa Lottery Authority amends Chapter 12, "Licensing," Iowa Administrative Code.

The rules in Chapter 12 describe licensing standards and requirements for retailers licensed by the Iowa Lottery Authority. This amendment changes the language of 12.12(4) to mirror the language and intent of the statute that it implements (Iowa Code section 99G.24) concerning the Iowa Lottery Authority's decision to suspend a retailer for selling lottery tickets to a person under the age of 21. Because retailers are, many times, the source of the Lottery's information on such a sale, the Lottery changed the mandatory-suspension language to provide the Lottery with discretion as to whether a retailer must be suspended after selling to a minor. This amendment allows the Lottery the discretion not to punish retailers who are forthright and cooperative in reporting such incidents.

Notice of Intended Action was published in the January 8, 2014, Iowa Administrative Bulletin as **ARC 1283C**.

Comments were made about the broadening of the provision in subrule 12.12(4) and the additional discretion it provides the Lottery to discipline retailers for selling lottery tickets to minors. A comment indicated the amendment should specifically limit the subrule to cases in which the retailer self-reported such a sale.

Other comments emphasized the importance of the subrule's mirroring the intent of the Legislature as expressed in the Iowa Code. A Board member specifically commented on the existence of discretion in several other instances in the Lottery's rules and the Iowa Code, with this being the only situation in which the Lottery has no discretion.

This amendment is identical to that published under Notice.

The amendment was adopted during the April 22, 2014, meeting of the Iowa Lottery Authority Board of Directors.

The Iowa Lottery Authority does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, no impact on jobs has been found.

This amendment is intended to implement Iowa Code sections 99G.24 and 99G.27.

This amendment will become effective on June 18, 2014.

The following amendment is adopted.

Amend subrule 12.12(4) as follows:

12.12(4) Upon suspicion that a retailer has sold a ticket to an underage player, the lottery will investigate and provide a written warning to the retailer describing the report of the event and of the potential violation of Iowa Code Supplement section 99G.30(3). In the event a retailer sells a ticket to an underage player and the lottery can substantiate the claim, the lottery ~~shall~~ may suspend the retailer's license for 7 days. When a retailer sells a ticket to an underage player and the lottery can substantiate the claim a second time in a period of one year from the date of the first event, the lottery ~~shall~~ may suspend the retailer's license for a period of 30 days. When a retailer sells a ticket to an underage player and the lottery can substantiate the claim a third time in a period of one year from the date of the first event as described in this rule, the retailer's license ~~shall~~ may be suspended for one year.

[Filed 4/25/14, effective 6/18/14]

[Published 5/14/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 5/14/14.